32635-1

ANNUAL REPORT

of the

COMMISSION FOR HIGHER EDUCATION

to

Governor Robert D. Orr

and the

Indiana General Assembly

March 1984

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PREFACE

PREFACE

The 1984 Annual Report of the Commission for Higher Education includes as Part I a summary essay of the Commission's major focus of the year, which was on Present and Future Funding of Higher Education in Indiana. The findings and recommendations of this major planning effort are provided in the essay which is based on working and policy papers developed during the year and identified at the end of this report.

The Commission is also pleased to report in Part II on its activities for the year organized in accordance with its statutory responsibilities. The major planning and coordination activities of the Commission are briefly reviewed here. Copies of more extensive policy papers and studies are available upon request.

Part III of this report indicates the Commission's plans for activities over the next three years. The future work of the Commission is planned in consultation with the Governor, the General Assembly, the institutions of higher education and other interested parties. These plans will be subject to revision each June. Suggestions and concerns for issues of significance to Indiana and its system of higher educational opportunities are welcomed.

Beginning in 1985, the Commission will issue annually a fact book on Indiana higher education which will provide an ongoing collection and arrangement of information on higher education for the use of educators, policy makers and citizens. This publication will aim to continue the collection of data upon which evaluations of performance may be made. Inquiries to the Commission office regarding information are welcomed.

The Commission expresses its appreciation to Governor Orr, the General Assembly and the institutions of higher education and related agencies for support and cooperation during 1984, as the Commission has continued with them the pursuit of excellence in higher education opportunities to which Indiana citizens have grown accustomed.

Frederick T. Bauer
Chairman

Clyde R. Ingle
Commissioner

PART I

THE FUNDING OF HIGHER EDUCATION IN INDIANA

I. Introduction

Throughout the state's history, a critical dimension of Indiana's investment in the future has been public and private support for higher education. In 1976-77, the high point of the past decade, 21.6% of the state operating budget was devoted to the support of public higher education institutions.

State support has traditionally taken the form of direct subsidy for public institutions and indirect subsidy of independent institutions operating in the state through student financial aid and other means. Because of public and private commitments to institutions of higher education and support for citizen opportunities to pursue higher education to the fullest extent of their capabilities and desires, Indiana is blessed with outstanding public and independent institutions and with a wide variety of types of institutions and programs.

The investment of generations of citizens in Indiana's system of higher education opportunities, faculties and facilities requires constant nurturing and stewardship. The mid 1980's is a period in the state's history which requires a reassessment of the health of the system of higher education. The state and the nation are well into a fundamental restructuring of the economic base which has been the source of Indiana's wealth for many generations. Higher education, too, has been subjected to the stresses which have weakened other aspects of Indiana's social and economic fabric. With these concerns in mind, a careful reassessment of Indiana's investment in higher education is appropriate. This essay will address the central question of how higher education has fared in Indiana's investment priorities and will identify areas of critical concern for the rest of the century.

II. What are the Sources of Funding for Indiana Higher Education?

Twenty-one percent of Indiana's enrollment is in independent institutions where a major distinction from the public institutions is their primary dependence upon private rather than public resources. Each of the more detailed analyses to follow will distinguish where possible between the public and the private sectors of Indiana higher education.

A. Major Sources of Funding All Facets of Indiana Higher Education

In 1984-85 funding for higher education in Indiana came from four major sources. These sources include:

- the state of Indiana
- the student and his or her family
- the federal government and
- other, primarily, nongovernmental sources

Charts 1 and 2 show the relative dependence of the public and independent sectors in Indiana on these sources of support.

The categories of funding to be considered here will include funding of institutions, of student opportunities, and of capital facilities, and will conclude with a consolidation of all funding with contributes directly to higher education opportunities for Indiana citizens.

Chart 1

Sources of Operating Support for
Public Institutions of Higher Education, 1984-85

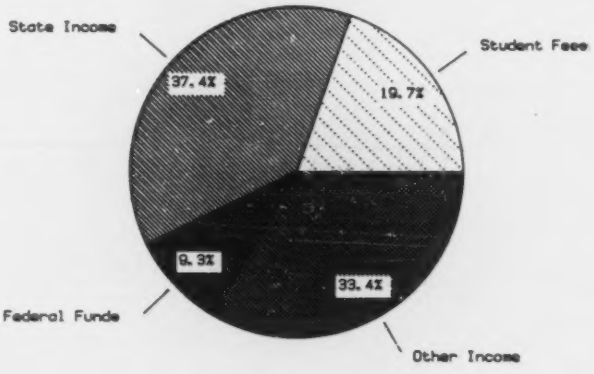
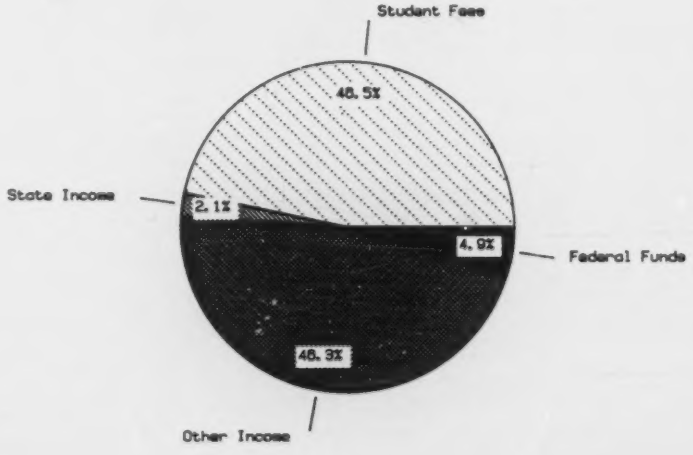


Chart 2

Sources of Operating Support for Independent
Institutions of Higher Education, 1984-85

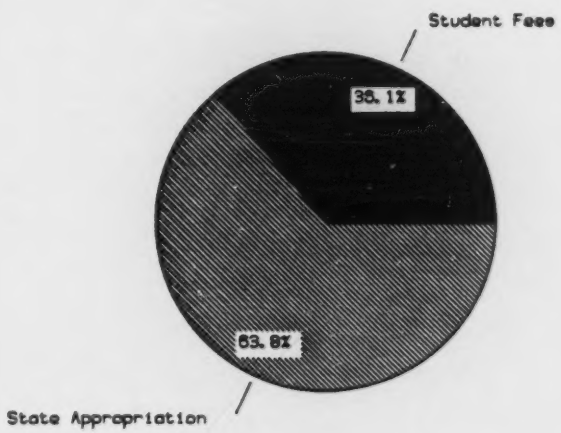


B. Major Sources of Instructional Funding for Public Institutions of Higher Education in Indiana.

In considering levels of public investment in higher education institutions, the state has traditionally reviewed a much smaller set of revenues corresponding to instruction and very limited research and public service projects. This restriction creates a much different pattern of support involving only state and student revenues. These sources are represented pictorially in Chart 3.

Chart 3

Sources of Funding for the State-Reviewed Component of Public Higher Education Operating Budgets, 1984-85



III. Major Trends in Funding of Higher Education in Indiana

Major changes have occurred in the funding of the operating budgets of public higher education institutions over the past decade. In the period 1975-76 to 1984-85:

- Combined funding from state, student, and federal government increased by 105% from $401 million to $822 million (Chart 4).

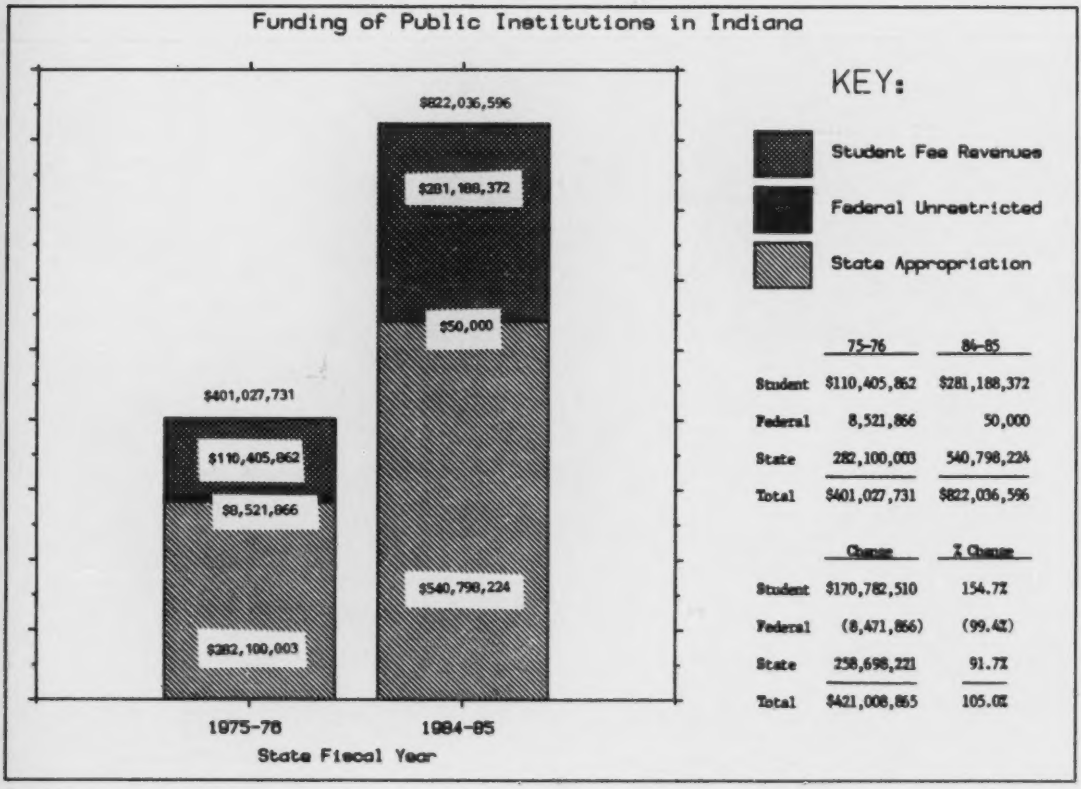
- State funding increased by 92% from $282 million to $541 million.

- Funding from student fees increased by 155%; the number of students increased by 13%, while total fees for the average student increased by 124%.

- The student share of the cost of instruction went from 27.5% in 1975-76 to 34.2% in 1984-85.

- Federal funding in support of institutional operating budgets all but disappeared, dropping about $8 million during the period.

Chart 4



	75-76	84-85
Student	$110,405,862	$281,188,372
Federal	8,521,866	50,000
State	282,100,003	540,798,224
Total	$401,027,731	$822,036,596

	Change	% Change
Student	$170,782,510	154.7%
Federal	(8,471,866)	(99.4%)
State	258,698,221	91.7%
Total	$421,008,865	105.0%

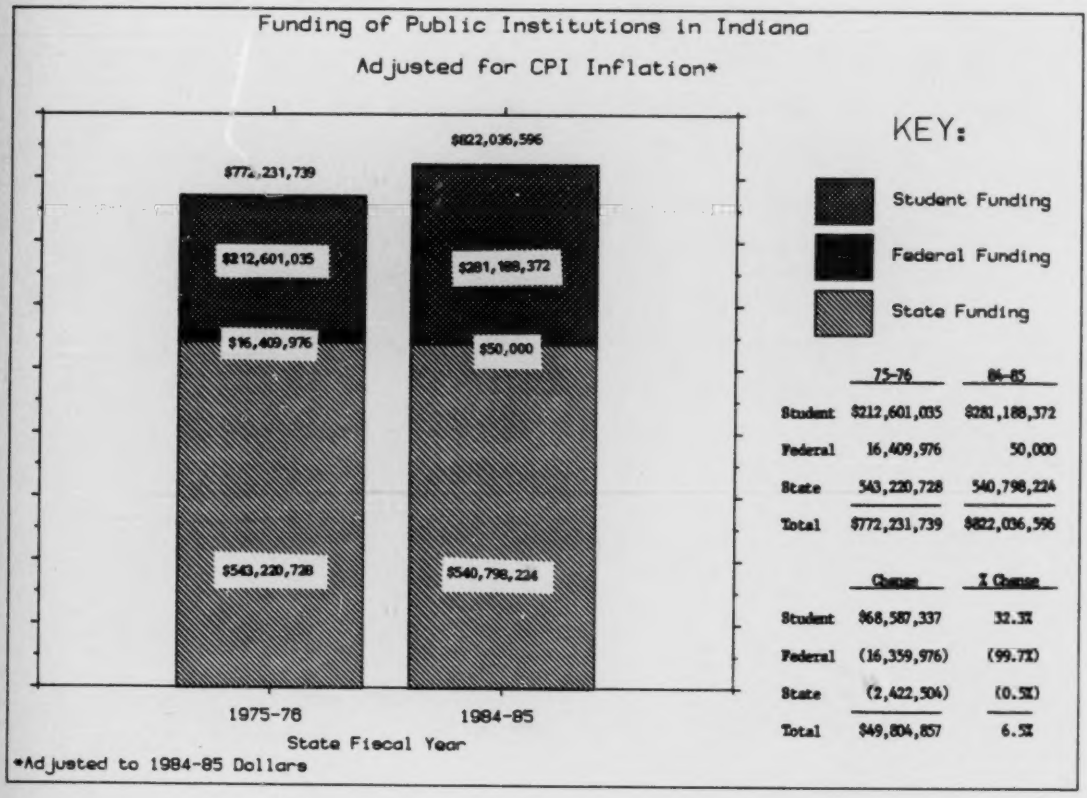
— Impact of Inflation —

Inflation during the period was 92%. Thus, the 1975-76 dollar was worth only 52 cents in 1984-85. Therefore, adjusted for inflation, (using the Consumer Price Index as the measure of inflation[1]) and stated in 1984-85 dollars, total operating budget funding increased by approximately $50 million (see Chart 5).

Considering inflation, then, student fee revenues increased by more that $68 million, helping to offset:

- State investment declines of more than $2 million, and
- Federal reductions in Indiana of $16 million.

Chart 5



	75-76	84-85
Student	$212,601,035	$281,188,372
Federal	16,409,976	50,000
State	543,220,728	540,798,224
Total	$772,231,739	$822,036,596

	Change	% Change
Student	$68,587,337	32.3%
Federal	(16,359,976)	(99.7%)
State	(2,422,504)	(0.5%)
Total	$49,804,857	6.5%

— Enrollment Growth —

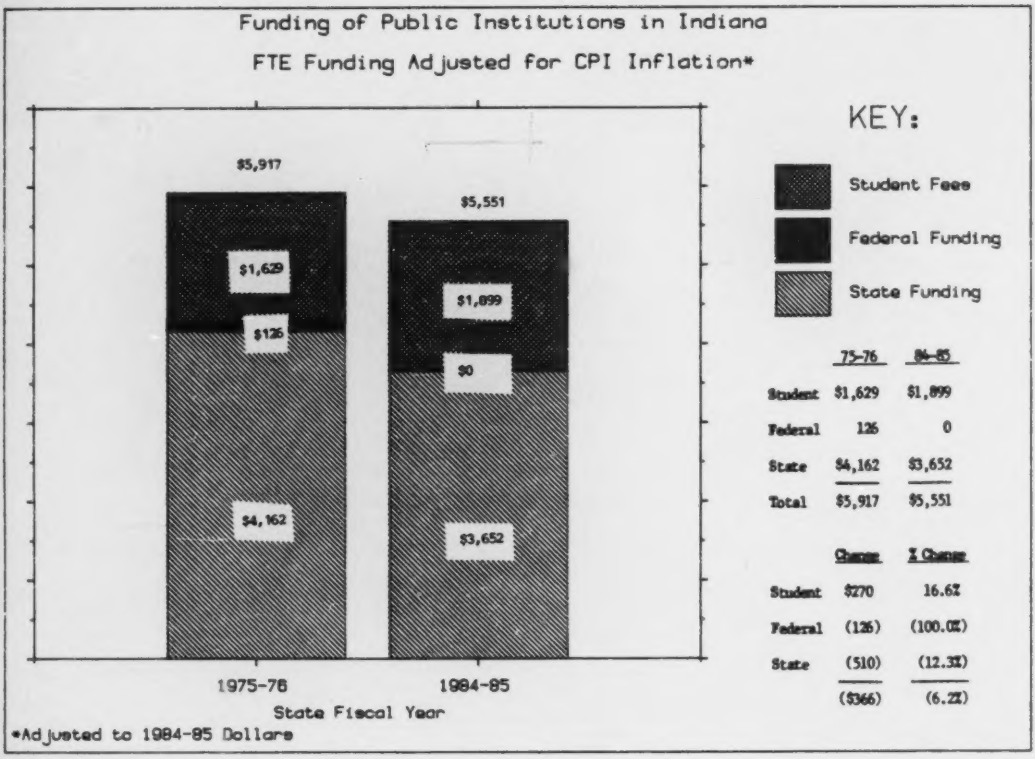
A second development drastically affecting the funding of higher education in Indiana was an increase in enrollments of more than 17,000 or 13%. Thus, considering inflation and enrollment increases

- Funding per full time equivalent student declined by 6% or more than $360 (Chart 6).

In summary, then, funding changes from 1975–76 to 1984–85 for Indiana higher education adjusted for inflation and enrollment change included

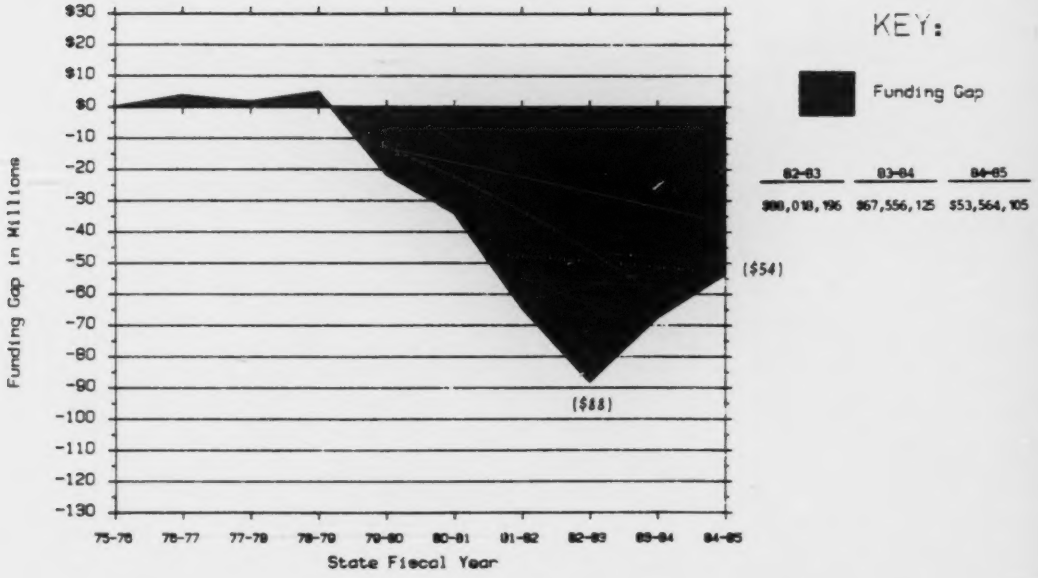
- a decline of state funding per student by $510 or 12%,
- a decline in federal funding per student of $126 or almost 100%, and
- an increase in fees per student of $270 or 17%.

Chart 6


Funding of Public Institutions in Indiana
FTE Funding Adjusted for CPI Inflation*
$5,917
$1,629
$126
$4,162
$5,551
$1,899
$0
$3,652
1975-76
1984-85
State Fiscal Year
*Adjusted to 1984-85 Dollars
KEY:
Student Fees
Federal Funding
State Funding
75-76 84-85
Student $1,629 $1,899
Federal 126 0
State $4,162 $3,652
Total $5,917 $5,551
Change % Change
Student $270 16.6%
Federal (126) (100.0%)
State (510) (12.3%)
($366) (6.2%)

The total funding gap which has resulted from these developments is approximatly $54 million in 1984-85[2].

Chart 7
State Funding Bonus (Gap) in Millions
Using Baseline Assumptions
State Share=70%, Marginal Cost=50%
84-85 Inflation=5%, Inflation Index=CPI



— Measures of Decline in State Support —

Two other indications of the slippage in state investment in higher education in the period 1975-76 to 1984-85 may be suggested. The first is state funding of higher education as a percent of Indiana personal income (see Chart 8). The second is the growth of student fees as a percentage of per capita personal income (see Chart 9).

The findings are:

- The percentage of the state's personal income invested through state appropriations in public higher education institutions declined from .94% in 1975-76 to .86% in 1984-85.

- Student fees per student in public institutions as a percent of per capita income increased from 15.0% to 16.6% during the period.

Chart 8

State Funding as Percent of Indiana Personal Income

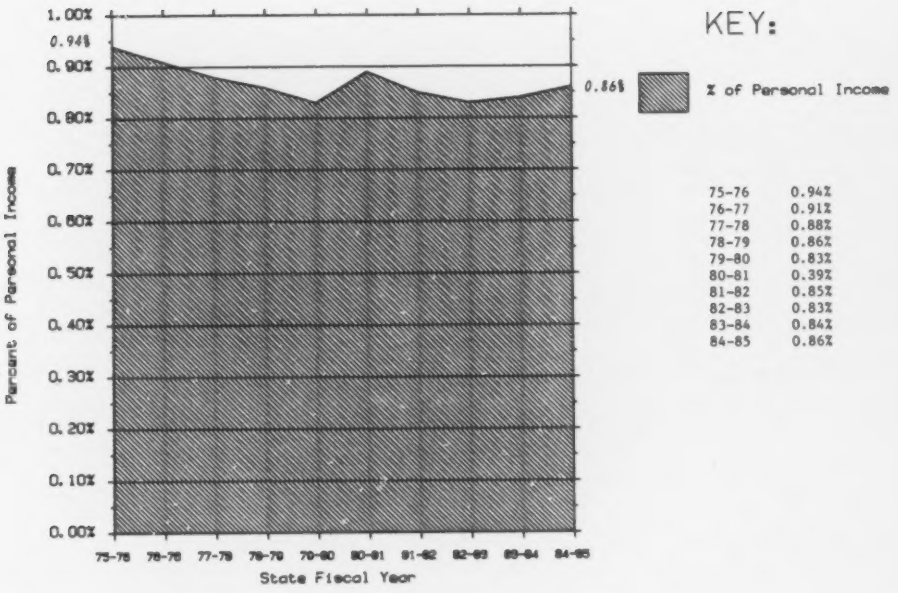
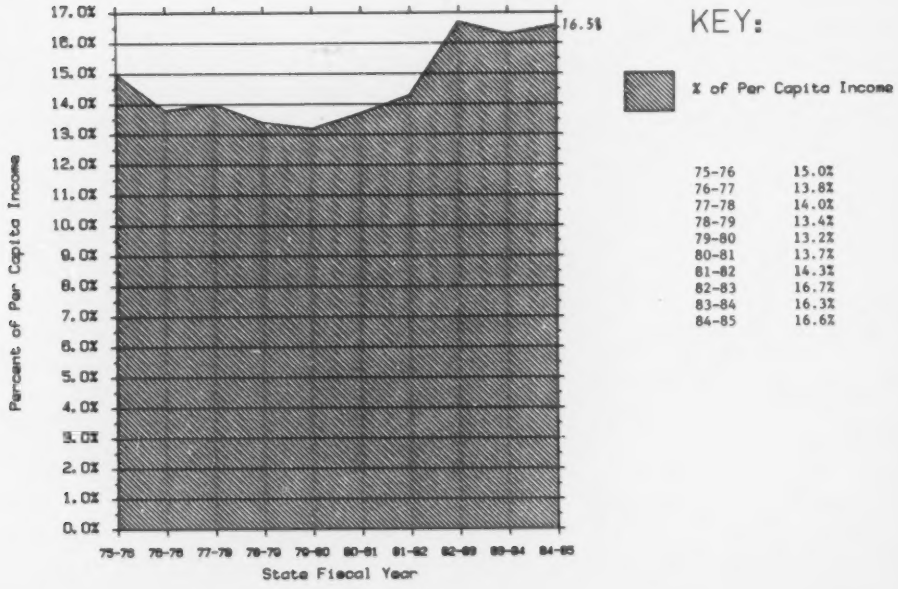


Chart 9

Fees Per FTE Student as Percent of Indiana Per Capita Income



IV. How Do Indiana Students Meet the Cost of Higher Education?

A significant finding in a review of the funding of higher education in Indiana is that students have been required to shoulder a substantial increase in their share of the cost of higher education. Since a critical goal of public investment in higher education is to provide opportunities for students to pursue that education beyond the secondary level which best meets their needs, this finding requires a review of how Indiana students meet the cost of attending higher education institutions in 1984.

-- What was the cost of college attendance in 1984? --

The cost of full-time undergraduate study beyond high school varies widely depending upon the type of campus attended and other factors. The average annual cost for a full-time resident student in 1983-84 at a public institutions in Indiana is estimated to have been $5,036. The average annual cost of full-time attendance in residence at an independent institution was estimated to be $8,224 in 1983-84 (see Table 1)[3].

Table 1

Estimated Amount of a "Typical" Student's Cost of Attendance* for Higher Education in Indiana, 1983-84

	Full-Time		Part-Time	
	Public Institutions	Independent Institutions	Public Institutions	Independent Institutions
Tuition and Fees	$1,239	$4,547	$413	$1,516
Books & Supplies	363	354	121	118
Room & Board	2,246	2,311	-0-	-0-
Personal Expenses	861	650	-0-	-0-
Transportation	327	362	109	121
Total Expenses	$5,036	$8,224	$643	$1,755

In 1983-84, over 56% of all enrollment was made up of part-time students. It is estimated that the annual cost of attendance of a "typical" part-time student was $643 at the average public institution and $1,755 at the average independent institution[4].

The greatest source of difference in estimated costs among Indiana institutions is in the tuition or general fee category, where independent college tuition is between three and four times as costly as that of the average public institution (Table 1 and Charts 10 and 11). The average tuition at a state university in Indiana in 1983-84 was approximately $1,239, while tuition costs at an independent college or university averaged approximately $4,547. Total non-tuition and fee costs are very similar at both public and independent institutions and were estimated to be $3,787 at public institutions and $3,677 at independent ones. The average total cost differential then between independent and public institutions in 1983-84 was $3,308. This difference can be compared to an average state subsidy of public institutions of $3,355 per student (Table 1, Charts 10 and 11). The average cost of attendance adjusted for inflation has increased between 1975-76 and 1983-845 by 2.3% at the public institutions and by 16.9% at the independent institutions.

Chart 10

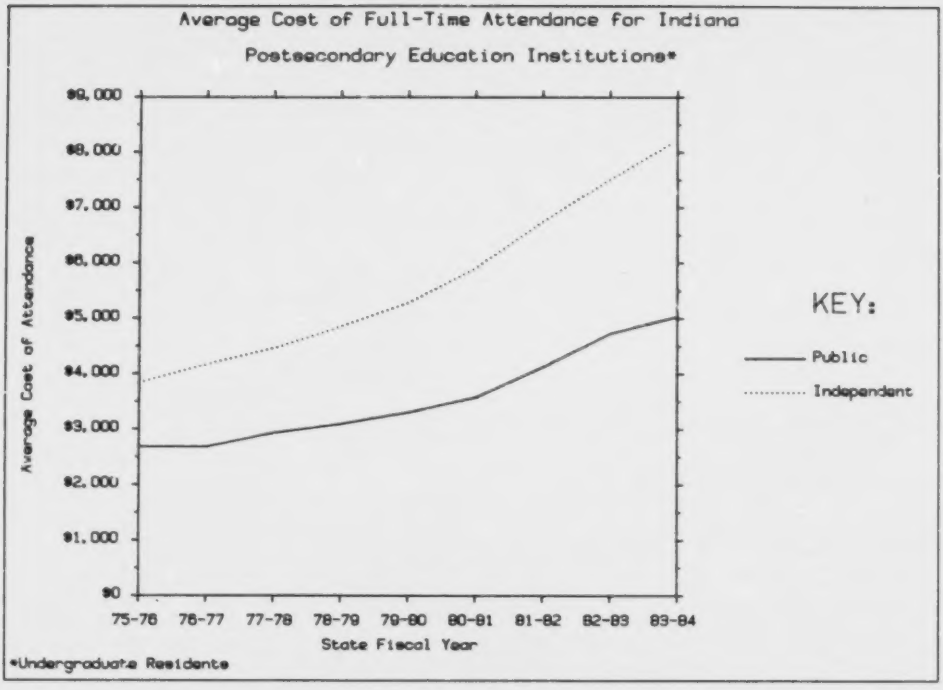
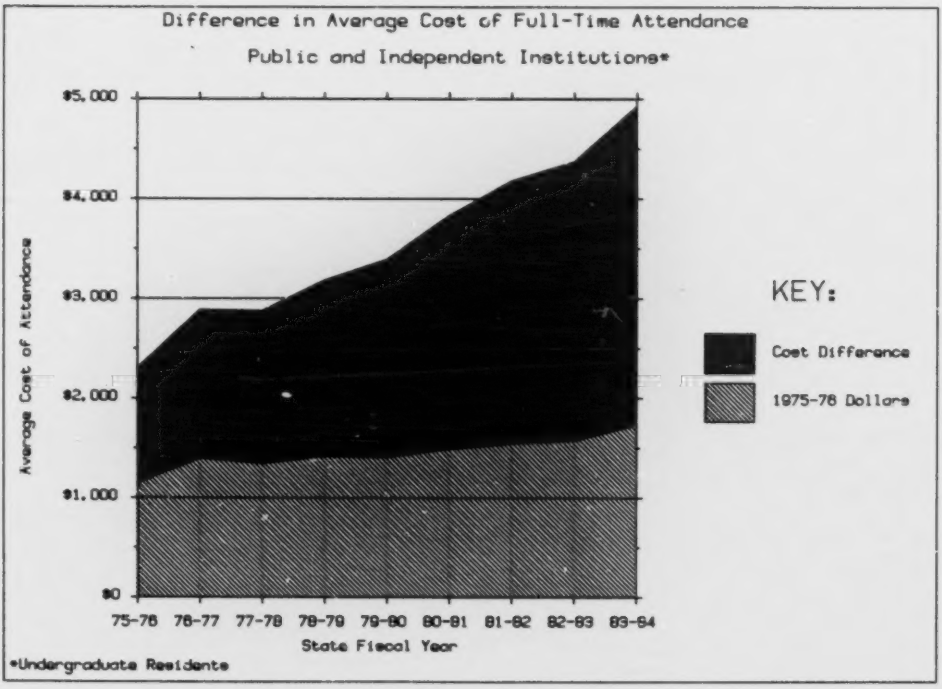


Chart 11



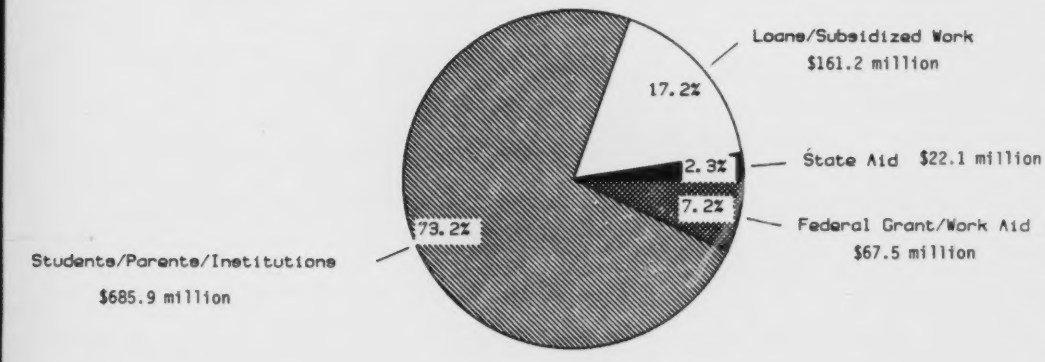
— How Does the Indiana Student Meet the Cost of Attendance? —

Viewed in the aggregate in 1983-84, the gross cost to Indiana students of attending Indiana campuses was over $936 million, with their net costs estimated at $847 million. Over 90% of the estimated cost of attendance is therefore paid by students, parents, higher education institutions, and others (see Chart 12.) Approximately $161.2 million of student loan and work opportunities were available in 1983-84. Even after these were taken into consideration, the student and his/her family would still have to have met approximately 73% of the cost of attendance from institutional aid, and other sources.

Of the approximately 140,000 students enrolled full-time in 1983-84, nearly one-half (49%) met the cost of attending college through a combination of family and individual resources. A slight majority (51%) received financial support from programs designed to assist the student whose family was judged to be unable to contribute all of the funds needed for the student's education beyond the secondary level. In both public and independent institutions, financial aid recipients are estimated to pay approximately 45% of the cost of attendance from student employment, savings, institutional aid, and family contributions. The major sources of financial support from outside the student and family are institutions of higher education and state and federal grant and loan programs. Since the late 1960's the primary source of the two types of governmental aid has been the federal government. Indiana also invests in student financial aid through a state grant program and support of financial assistance through the operating budgets of public institutions.

Chart 12

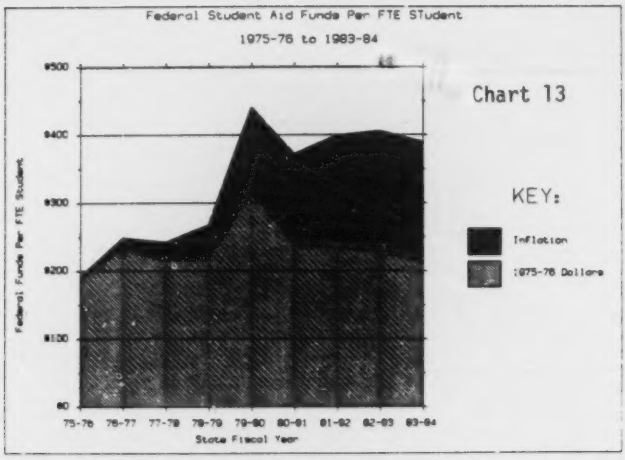
Statewide Higher Education Costs for Students and Major Source of Funds for Students Enrolling in Higher Education - 1983-84

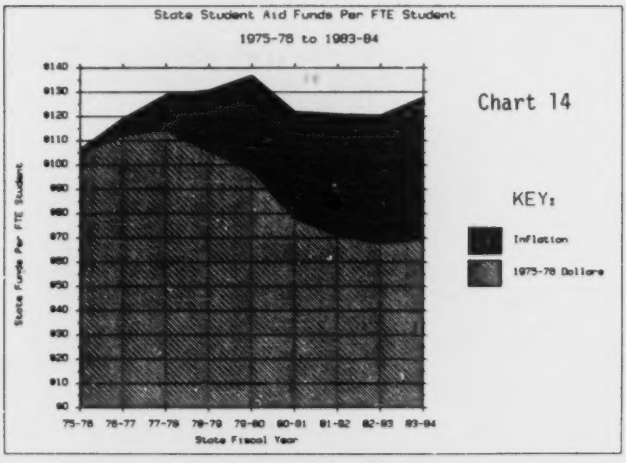


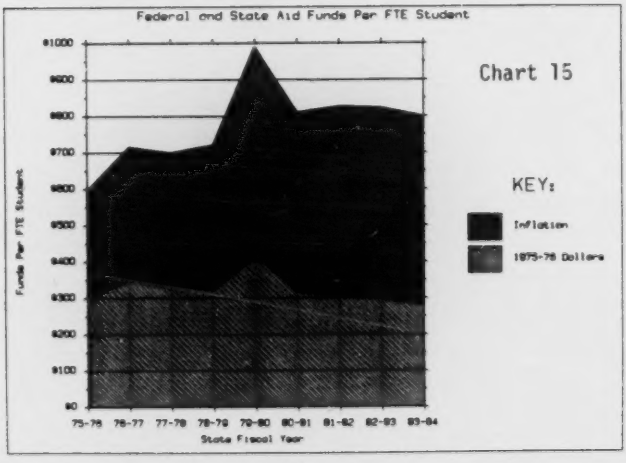
Total $936.7 million

— Sources and Trends of Student Assistance —

The federal proportion of student financial assistance in Indiana has represented two-thirds to three-fourths of the total administered by federal and state sources. The total dollars available for student assistance, adjusted for inflation, peaked in 1979-80. Federal aid dollars per student, adjusted for inflation, were 10.8% higher in 1983-84 than in 1975-76, but were 32.4% lower than in 1979-80. Adjusted state dollars per student declined 34.6% from 1975-76 to 1983-84 and 28.7% from 1979-80 to 1983-84.


Federal Student Aid Funds Per FTE STudent
1975-76 to 1983-84
Chart 13
KEY:
Inflation
1975-76 Dollars
Federal Funds Per FTE Student
$500
$400
$300
$200
$100
$0
75-76 76-77 77-78 78-79 79-80 80-81 81-82 82-83 83-84
State Fiscal Year


State Student Aid Funds Per FTE Student
1975-76 to 1983-84
Chart 14
KEY:
Inflation
1975-76 Dollars
State Funds Per FTE Student
$140
$130
$120
$110
$100
$90
$80
$70
$60
$50
$40
$30
$20
$10
$0
75-76 76-77 77-78 78-79 79-80 80-81 81-82 82-83 83-84
State Fiscal Year


Federal and State Aid Funds Per FTE Student
Chart 15
KEY:
Inflation
1975-76 Dollars
Funds Per FTE Student
$1000
$900
$800
$700
$600
$500
$400
$300
$200
$100
$0
75-76 76-77 77-78 78-79 79-80 80-81 81-82 82-83 83-84
State Fiscal Year

The state of Indiana offsets the cost of attendance to the student in two ways: through direct support to the public institutions of higher education, which allows fees to be reduced, and through student financial assistance programs which are provided to students who demonstrate relative need for financial aid in pursuing their education. The most direct impact upon the cost of attendance is through the appropriations to the institutional operating budgets of the public institutions. In 1983-84, such aid amounted to over half a billion dollars and had a significant impact on the nearly 275,000 people (equivalent to 162,500 full-time students) who enrolled in the public institutions (see Table 2). The average support per full-time equivalent student climbed from $2,161 in 1975-76 to $3,355 in 1983-84.

Table 2

Operating Appropriations to Public Higher Education*
1975-76 to 1983-84

Year	State Funding	State Funding Per FTE Student	State Funding Per Public FTE Student in 1975-76 Dollars
1975-76	$282,100,003	$2,161	$2,161
1976-77	304,951,493	2,308	2,181
1977-78	326,642,769	2,454	2,174
1978-79	356,716,708	2,725	2,206
1979-80	384,176,988	2,851	2,038
1980-81	435,730,880	3,041	1,948
1981-82	454,872,899	3,105	1,830
1982-83	456,630,475	3,090	1,746
1983-84	500,389,266	3,355	1,828

V. Conclusions

Indiana's traditional commitment to the support of a high quality system of higher educational opportunities has eroded during the past decade. This erosion can be most vividly summarized by observing that:

- adjusted for inflation, the state appropriation per student has dropped by $510 from 1975-76 to 1984-85, and

- the fees paid per student have increased by $270 in inflation-adjusted dollars during this period.

To restore the state's level and share of per-student public college funding to their 1975-76 levels after adjusting for both inflation and increased enrollments would require an increase in appropriations of slightly more than $90 million over and above anticipated inflation.

VI. Future Policy Issues

The Commission for Higher Education has conducted a review and assessment of the funding of higher education in Indiana as a prelude to its budget recommendations for the 1985-87 biennium. These budget recommendations address the decline in state support of higher education over the past decade and propose

- that the State of Indiana increase its investment in higher education by appropriating for 1986-87 at least $82.3 million more, above inflation, than it did in 1984-85;

- that the State of Indiana commit itself to being competitive nationally in state-level investment for higher education by 1989; and

- that this increase in investment be accompanied by a statement of specific objectives prepared by the Commission for Higher Education and each public institution outlining how this improvement in funding will enhance the overall performance of higher education in the state.

To these same ends, the Commission for Higher Education will address the following specific funding issues during 1985:

- the management of higher education debt.
- improvements to the state's equipment and facilities funding formula, and
- the development of appropriate historical and comparative indicators for assessing the funding of Indiana higher education.

PART II

COMMISSION FOR HIGHER EDUCATION ACTIVITIES - 1984

PART II. COMMISSION FOR HIGHER EDUCATION ACTIVITIES - 1984

> The general purposes of the Commission for Higher Education shall be to plan and coordinate Indiana's state supported system of post-high school education, to review appropriation requests for post-high school education and make recommendations to the Governor, State Budget Agency, or the General Assembly,... (Indiana Statutes 20-12-0.5)

The following sections report how the Commission has met its statutory responsibilities during 1984.

A. PLANNING:

". . .to develop, continually keep current, and implement a long range plan for post-high school education."

During 1984 the Commission continued its planning efforts in several areas.

1. Higher Education Services Plans 1984: The Commission introduced the Higher Education Services Plan process in 1983 and concluded the first cycle in 1984. The higher education services planning process requests that public and private institutions describe their plans and needs and is conducted in advance of each biennium's budget request. The objective of this planning process is to publicly discuss institutional plans in anticipation of future circumstances, and to engage state leaders in identifying state needs which can be addressed through higher education.

   Services plans were described in general terms in November 1983, presented formally in December 1983, and discussed by the Commission in April and May 1984. At the April and May meetings, draft outlines of

the Commission's responses to public and independent institutional service plans were discussed. These outlines were developed into a document titled, "Higher Education Services Plans for 1984-1993 of Indiana's Public and Independent Institutions: A Review and Comment by the Commission for Higher Education."

During its review of institutional services plans, the Commission focused on three principal concerns:

a. The context for postsecondary education in Indiana;

b. The mission, role, and scope of Indiana's public and independent institutions and systems;

c. Institutional short and long-term plans for instructional programming.

As part of its services plan, each institution described its plans for the next three years, including the next biennium, for each instructional site and degree program, and commented on the environment for higher education it foresees for the next ten years. In its review of services plans, the Commission offered observations about the overall context for planning, planning initiatives which it would like to encourage, and planning initiatives about which it wished to express concern.

Areas of concern to the Commission included proposed mission changes, plans for program development, staffing plans, and important topics on which more extensive comment was thought to be warranted. These included such subjects as projected enrollment declines, the need for remedial and academic skill development programs, the need for special

efforts to attract, retain, and restructure faculties, and the need to plan for the enrollment of greater numbers of older students.

2. Future Funding of Postsecondary Education in Indiana: As part of its ongoing planning efforts and in preparation for budget recommendations for 1985-87, the Commission began in 1984 a comprehensive review of higher education funding in Indiana. Stage one in the Commission's future funding project was completed with the development of the budget recommendations for 1985-87. Stage two of the project is scheduled to be completed by the 1986 General Assembly and will address debt management practices, improvements to equipment and facilities funding formuli and appropriate historical and comparative indicators for assessing the funding of higher education in Indiana.

After consultation with the Governor's Office, the State Budget Office, legislative leadership and the institutions, the Commission launched a series of special working papers dealing with various aspects of higher education funding. These papers included;

1. Suggested Criteria for Assessing the State's Investment in Higher Education

   This paper reviewed the goals for state tax dollars being devoted to higher education. After review and discussion the Commission recommended a set of goals as the basis for assessing public investment in higher education in Indiana.

2. Historical Analysis of Recurring Funding in Support of Public Colleges and Universities

   This paper reviewed Indiana funding of public institutions of higher education from 1975-76 to 1984-85. Various assessments of inflation were applied to funding levels. The general conclusions of the analysis were that funding had not increased in proportion to inflation and increased enrollments.

3. Current Postsecondary Education Funding Procedures in Indiana

   This paper reviewed the current procedure for appropriating state resources to higher education in Indiana.

4. Capital Budgeting for Postsecondary Education in Indiana

   This working paper reviewed the history and current practice of authorizing capital construction in Indiana higher education.

5. Student Financial Aid in Indiana

   This working paper asked the question, "How do Indiana students pay for a college education in 1984?" and then provided an analysis based on the data available for different income students attending either a public or a private institution.

6. Historical Inflation

   This technical paper reviewed and assessed various measurements of inflation over the past decade. It concluded that the Consumer Price Index is a reasonable measure of inflation in higher education.

3. Regional Needs Analysis: Since 1980, the Commission has been engaged in studies of higher education needs and opportunities on a regional basis as part of its on-going planning efforts. During 1984, the Commission worked with public and independent institution officials as well as civic, corporate, education, and union leaders to study higher education and training in 24 counties in West Central Indiana. Indiana Farm Bureau office, Chamber of Commerce leaders, legislators, mayors, labor union officials, educators, institutional trustees, and others were asked to comment on a Commission-compiled statistical profile of the region and the state, and on the following items:

   a. College and university services in their area which were especially deserving of commendation;

   b. Unmet high priority needs for education and training at the college and university level;

c. Additional opportunities for cooperation between colleges and universities and the business-civic community; and

d. College and university programs which in their judgment seemed to overlap or duplicate other services.

The findings and observations, policy issues, and recommendations developed during the study were discussed at several public meetings, and final recommendations were adopted by the Commission on October 12, 1984. The four key recommendations adopted concerned:

(a) IVTC market penetration,
(b) the multiple missions and roles of IUPUI,
(c) inter-institutional cooperation and off-campus programs, and
(d) campus reliance on part-time faculty.

Each recommendation requested that the topic be studied further by institutional officials and that a report be sent to the Commission. The results of the study helped the Commission in the development of budget recommendations for 1985-87 and will be used in updating the Indiana Plan for Higher Education.

4. Guidelines for Institutional Mission Statements: In fulfillment of its responsibility, (IC 20-12-0.5-8a) to "define the educational missions and the projected enrollments of the various state educational institutions," the Commission adopted guidelines for the development and review of institution mission statements. The guidelines include an identification of the topics to be addressed in a mission statement. The Commission will systematicly review mission statements as part of its analysis of new program requests, higher education services plans, budget requests, and accreditation reports.

5. A Classification System for Indiana Higher Education: The Commission adopted a classification system for public and independent campuses in June, 1984. The classification system provides brief descriptive statements about the several types of instructional sites in the state. These statements will be used in connection with mission and program reviews. The types of sites identified are as follows:

I. Private Liberal Arts Colleges
II. Specialized Institutions
III. Postsecondary Regional Centers
IV. Two-Year Campuses
V. General Purpose Campuses
VI. Broad-Based Undergraduate and Selected Graduate Study Universities
VII. Broad-Based Undergraduate and Broad-Based Gradute Study Universities

Only Group I is limited to independent institutions; all other classifications can apply to either public or independent colleges and universities.

6. Review of the Report of the Board of Incorporators of the Proposed University of Southern Indiana: As part of its long range planning efforts during 1983, the Commission's regional study of Southern Indiana reviewed questions regarding the governance of Indiana State University at Evansville. The 1984 General Assembly empowered the Governor to appoint a nine member board of incorporators to plan how an independent, state university in southwestern Indiana could be created at the site of ISU-Evansville. This charge to the board specified that it submit draft legislation and a statement of mission to the Commission for review in accordance with its statutory duties.

The board submitted its draft legislation, a statement of mission, and a budget proposal to the Commission and the State Budget Agency as required, and the Commission adopted a review of the report which was then forwarded to the Governor and the General Assembly.

B. REVIEW:

". . .to review the legislative request budgets of all state educational institutions . . . and to make recommendations . . ."

During 1984 the Commission conducted a number of activities in preparation of its biennial budget recommendations to the General Assembly. These efforts fell into three basic areas:

1. Preparation of Budget Guidelines and Instructions. While this activity is conducted routinely each biennium in concert with the State Budget Agency, this biennium the Commission added a new component labelled the 1985-87 Biennial Budget Preface. In this Preface, the Commission sketched out major goals to be addressed in the budget, the major demographic and environmental assumptions which impinge upon it, the responsibilities of the various participants, and the areas of emphasis for new investment over the next biennium.

2. Review of the Biennial Budget Requests and Preparation of Budget Recommendations. Beginning in September, the Commission received requests and conducted a number of hearings and meetings of its Operating and Capital Budget Committees. These hearings and meetings led to the development of a unified set of recommendations which were

tied to the Commission's budgetary goals, but which also reinforced the key priorities for investment sought by the Trustees. These recommendations were prepared in five major budget areas, and spanned six major priority classifications for new state investment. Text for the final recommendations was adopted by the Commission at its December meeting.

As a portion of its specially assigned duties in budgetary review, the Commission reviewed the capital budget requests of the universities and formulated a set of recommendations to the Governor and the General Assembly. These recommendations followed visits by the Capital Budget Committee of the Commission to sites of major proposed projects. The Committee formulated its recommendations into three areas: debt service on already authorized projects currently being financed, funding of general repair and rehabilitation, and priority ranking the major capital expansion projects proposed by the Universities. These recommendations were included along with others in the Commission's biennial budget recommendations to the Governor and the General Assembly.

3. Yet a third area of specifically assigned responsibility was the review of the budget request of the State Student Assistance Commission. Beginning in January, staff of the two Commissions designed the data sources that would be most important in analyzing the likely impact of possible student aid proposals. These data were assembled in June, and staff were able to include analyses of these data in the recommendations adopted by the Commission in December. A second, and

more detailed, phase of this review will extend into 1985 in anticipation of close scrutiny of this area by the General Assembly.

All of the analyses conducted by the staff and reviewed by the Commission benefit from the construction and maintenance of several general information studies throughout the biennium. These include the biennial cost study of academic programs, the bi-annual student enrollment reporting system, the biennial study of instructional equipment, and the biennial study of facilities and space utilization. All of these studies contributed to the development of the Commission's budget recommendations, and extend beyond these activities in their impacts.

C. STUDY:

". . . to make . . . studies of the needs for various types of post-high school education . . ."

During 1984 as part of on-going planning activities, the Commission conducted a series of special studies as follows:

1. Purdue Statewide Technology Program: Since its inception with funding provided by the Program Start-Up Fund in 1983, the Purdue Statewide Technology Program has expanded to eight sites. Enrollments are projected to exceed 200 FTE students in 1984-85, and to reach nearly 600 students in 1986-87. Current projected sites, programs, enrollments, and costs are shown in Table 3.

Table 3

Purdue University
Statewide Technology Program
Current and Projected Sites, Programs, Enrollments, Costs

		FTE Enrollment				Total Costs Per FTE				Total Costs ###			
		1983-84	1984-85	1985-86	1986-87	1983-84	1984-85	1985-86	1986-87	1983-84	1984-85	1985-86	1986-87
---Current Sites/Programs---													
Anderson-	A.A.S. EET# (3/84)##	0	25	45	45		$10,509	$6,507	$5,478	$0	$262,733	$292,823	$246,492
Elkhart-	A.A.S. MET (1/84)	0	25	45	45		$7,650	$5,372	$5,224	$0	$191,243	$241,760	$235,066
Kokomo-	A.A.S. CPT (12/81)	44	55	70	70	$4,107	$4,650	$4,368	$4,630	$180,708	$256,212	$305,733	$324,079
South Bend-	A.A.S. EET (9/83)	0	46	69	69		$7,384	$5,481	$4,812	$50,000	$339,685	$378,221	$332,015
Columbus Center-	A.A.S. CPT (6/84)	0	55	60	60		$6,835	$5,386	$5,532	$0	$375,939	$323,137	$331,926
SUBTOTAL		44	206	289	289	$5,243	$6,921	$5,335	$5,085	$230,708	$1,425,812	$1,541,674	$1,469,578
---Projected Sites/Programs---													
Anderson-	A.A.S. CPT (11/84)	0	0	0	25				$12,321	$0	$0	$0	$308,025
Columbus Center-	A.A.S. EET (10/84)	0	0	25	40			$13,357	$8,536	$0	$0	$333,926	$341,457
Richmond-	B.S. Supervision (12/8	0	0	0	25				$5,374	$0	$0	$0	$134,362
Kokomo-	B.S. EET (12/84)	0	0	40	55			$10,359	$6,709	$0	$0	$414,361	$369,011
	B.S. Superv. (9/82)	0	0	25	45			$5,095	$4,172	$0	$0	$127,381	$187,752
	A.A.S. CINT (11/84)	0	0	0	25				$12,321	$0	$0	$0	$308,025
New Albany	A.A.S. EET (11/84)	0	0	0	25				$16,561	$0	$0	$0	$414,035
SouthBend/Elkhart-	A.A.S. CPT (12/84)	0	0	0	25				$12,321	$0	$0	$0	$308,025
Versailles-	A.A.S. Superv. (11/84)	0	0	0	25				$5,310	$0	$0	$0	$132,762
SUBTOTAL		0	0	90	290			$9,730	$8,633	$0	$0	$875,668	$2,503,454
Program Administration]		0	0	0	0					$88,500	$107,100	$228,990	$242,729
TOTAL		44	206	379	579	$7,255	$7,441	$6,982	$7,281	$319,208	$1,532,912	$2,646,332	$4,215,761
AVERAGE ENROLLMENT/COST OF PROGRAMS		44	41	47	41	$7,255	$7,441	$6,982	$7,281	$319,208	$306,582	$330,792	$301,126

\# CINT-Comp. Integrated Manufact. Tech.
CPT-Computer Tech.
EET-Electrical Engineering Tech.
MET-Mechnaical Engineering Tech.

Date of Approval

###Total costs include equipment and other one-time costs.

Source: Purdue University
Program Administration costs were obtained from 1985-87 Budget request.

2. Postsecondary Education Needs in Elkhart: In July 1983 the Commission adopted a set of policies and procedures for recommending the disbursement of $30,000 in funds which had been appropriated by the 1983 General Assembly for the Elkhart Planning Study. In April 1984 the Commission adopted the findings and recommendations from the study of postsecondary education needs in the Elkhart area. Since that time both Purdue University and Indiana University have requested and received authority to offer new degree programs in the Elkhart area. In addition, new technical and professional programs have been started in South Bend. The combination of programs available in South Bend and Elkhart add substantially to the higher education opportunities in the Greater Elkhart area.

3. Educational Mobility Through Broadly-Defined Baccalaureate Degree Programs: The 1984 General Assembly passed a resolution addressing the need to enhance opportunities for Hoosier participation in postsecondary education. In particular, the resolution commented on the desirability of providing broadly-defined baccalaureate opportunities for graduates of vocational-technical associate degree programs. Commission staff met with institutional officials to discuss the resolution and the degree programs and services made available by universities to vocational technical program students. The conclusion of these discussions was that public institutions of higher education in Indiana have mechanisms for considering the credit earned by students at other institutions. In some cases, when the degree credit earned elsewhere is known to be or can be shown to be equivalent in terms of student and faculty expectations, comparability, equivalency,

and appropriateness, the receiving institution accepts the credit. When such matters are not known, students may take either nationally-normed or locally-created tests to determine their placement and the degree of credit earned toward the new degree.

In addition to mechanisms for the review of credit for possible transfer, several institutions also offer broadly-defined baccalaureate degree programs which do not require course by course equivalency and evaluation for a student to gain admission. In several cases, public institution campuses have established close working relationships with neighboring postsecondary vocational-technical centers.

The Commission concluded that the combination of local practices for the review of credit and statewide opportunities for broadly-defined baccalaureate programs does enable selected vocational-technical program graduates to continue their education in baccalaureate programs. These opportunities are not widely known, however, improved counseling information should be made available to current and prospective students if colleges and universities are to have a positive effect on the participation rate of Hoosiers and on the educational mobility available to students.

The Commission invited all public institutions to report to it by December 1, 1985, on their discussions of curriculum coordination, on the development of information to students about opportunities for continued educational mobility from one degree level to another, on transfer student origin and placement, and on examples of testing and

placement procedures and policies for other institutions to consider. The Commission will report these to the Senate Education Committee as requested.

4. Interim Report on Remedial Education in Indiana Postsecondary Education

As part of its on-going planning efforts and as background to the 1985-87 budget recommendations, the Commission discussed a series of policy questions concerning remedial education in Indiana postsecondary education. Findings included:

1. Remedial education programs appear to be a fundamental fact of contemporary college life and are necessary to help students meet college standards for admission, progress, and graduation. Nearly one-quarter of all undergraduate students in public institutions in Indiana are enrolled in remedial programs, with about 70% of these students enrolled in basic skills courses.

2. Remedial activities include: (1) "pre-enrollment" courses which are available prior to matriculation; (2) diagnostic tests to assist the placement of students in appropriate courses; (3) basic skills courses; (4) "probationary" admission status which allows students a period of a term or a year to prove themselves academically; and, (5) skills centers, tutors, mentors, and other special advisory services.

3. Types of students needing remedial education include: (1) recent high school graduates with a special need in one or two academic skills areas; (2) persons who have been out of high school for a period of time and must engage in refresher or college preparatory courses; and, (3) recent high school graduates with inadequate preparation overall.

4. Remedial education may add one or two semesters to the time it takes some students to complete a four-year degree.

5. A combination of state funding and student fees represent an estimated 75% of the total funding for remedial education. Federal funds provide the remaining estimated 25%.

5. Report on Minority Student Participation: During 1984, in response to a request from the General Assembly, the Commission conducted a study

of minority enrollments in Indiana. Principal findings of the study include:

- o Blacks and other minorities are underrepresented in higher education in Indiana as compared to their proportion of the population.
- o Black enrollment peaked in 1980-81 and has declined since that time.
- o Data from several other states suggest that these patterns are not unique to Indiana.

A number of knowledgeable individuals were invited to comment on the findings and to suggest possible causes and solutions for the current minority underrepresentation. A set of 11 perceived causes were identified, and 10 initiatives were suggested for action.

D. PROGRAMS:

". . .to approve or disapprove the establishment of any new branches, regional or other campuses or extension centers, or of any new college or school, or the offering on any campus of any additional associate, baccalaureate or graduate degree. . ."

1. Proposed New Programs: In 1984 the Commission and its staff acted on 3 proposals submitted during 1983 and on 57 proposals submitted during 1984. In carrying out its responsibilities for reviewing new program requests, Commission staff worked with the State Board of Vocational and Technical Education in the review of new vocational-technical programs. Table 4 shows Commission actions on new program requests during 1984.

TABLE 4

ACTIONS IN 1984 ON NEW DEGREE PROGRAM REQUESTS SUBMITTED IN 1983

CHE #	Institution	Name of Program	Date Received	Action
83-46	IU-East	BS in Nursing	11/83	Approved 3/9/84.
83-47	IU-Kokomo	MS in Elementary Education	12/83	Approved 3/9/84.
83-48	PU-Elkhart	AAS in Mechanical Engineering Technology	11/83	Approval Recommended to SBVTE 1/13/84. SBVTE approved 3/6/84.

NEW DEGREE PROGRAM REQUESTS SUBMITTED IN 1984

CHE #	Institution	Name of Program	Date Received	Action
84-1	IUPUI-NonHealth	MS in Physics	2/84	Approved 5/7/84.
84-2	PU-WL at Anderson	AAS in Electrical Engineering Technology	2/84	Approval Recommended to SBVTE 3/9/84.
84-3	ISU-Terre Haute	BS in Management Information Systems	2/84	Approved 4/10/84.
84-4	PU-at Columbus Ctr	AAS in Computer Technology	4/84	Approval Recommended to SBVTE 6/8/84. SBVTE Approved 9/4/84.
84-5	VU at Jasper	TC in Licensed Practical Nursing	4/84	Approval Recommended to SBVTE 5/7/84. SBVTE Approved 6/5/84.
84-6	IVTC-07 (Terre Haute)	AAS in Small Enterprise/Ofc Ops Tech		SBVTE Approved 3/6/84.
84-7	IVTC-06 (Marion)	AAS in Small Enterprise/Ofc Ops Tech		SBVTE Approved 3/6/84.
84-8	Vincennes	AAS in Office Occupations		SBVTE Approved 4/3/84.
84-9	IVTC-04 (Laf.)	AAS in Secretarial Administrative Word Processing Technology Option		SBVTE Approved 4/3/84.
84-10	IVTC-05 (Kokomo)	AAS in Secretarial Administrative Word Processing Technology Option		SBVTE Approved 4/3/84.
84-11	IVTC-06 (Muncie)	AAS in Secretarial Administrative Word Processing Technology Option		SBVTE Approved 4/3/84.
84-12	IVTC-08 (Indpls.)	AAS in Secretarial Administrative Word Processing Technology Option		SBVTE Approved 4/3/84.
84-13	IVTC-07 (Terre Haute)	TC,AAS in Computerized Accounting Tech		SBVTE Approved 4/3/84.
84-14	IVTC-13 (Sellersburg)	TC,AAS in Computerized Accounting Tech		SBVTE Approved 4/3/84.
84-15	IUPUI (IU)	MA in History	5/84	Approved 9/14/84.
84-16	IU-Kokomo	BS in DP & Info Systems	5/84	Approved 7/13/84.
84-17	IU-Southeast	BA in Communications	5/84	Approved 7/13/84.
84-18	IVTC-02 (South Bend)	TC,AAS in Computerized Accounting Tech		SBVTE Approved 5/1/84.
84-19	IVTC-03	TC,AAS in Computerized Accounting Tech		SBVTE Approved 5/1/84.
84-20	IU-Bloomington	BS in Environmental & Geological Engin	6/84	Action deferred at University's request.
84-21	IU-Bloomington	PhD in Environmental Science	6/84	Approved 9/14/84.
84-22	IU-Northwest	MS in Reading	6/84	Action deferred at University's request.
84-23	IU-Southeast	BA in Music	6/84	Approved 9/14/84.
84-24	IU-Southeast	BS in Computer Science	6/84	Approved 9/14/84.
84-25	IU-South Bend	Master of Music in Studio Teaching	8/84	Approved 10/12/84.
84-26	IUPUI by Purdue	AAS/BS in Computer Integrated Manf Tech	9/84	BS Approved 10/12/84; Approval Recommended for AAS to SBVTE 10/12/84. SBVTE Approved AAS 11/6/84.
84-27	IUPUI-CC by IU	Bachelor of General Studies and and Associate of General Studies	9/84	Routine Decision Item 9/14/84.
84-28	IUPUI-CC by PU-SWT	AAS in Electrical Engineering Tech	9/84	Approval Recommended to SBVTE 10/12/84. SBVTE approved 11/6/84.
84-29	Ball State	Bachelor of Urban Planning and Development	9/84	Approved 11/9/84.
84-30	PU-North Central	Bachelor of Science in Nursing	9/84	Pending.
84-31	PU-Calumet	BS in Manufacturing Engineering Technology	9/84	Approved 11/9/84.

TABLE 4 (continued)

NEW DEGREE PROGRAM REQUESTS SUBMITTED IN 1984

CHE #	Institution	Name of Program	Date Received	Action
84-32	PU-at IUPUI-Fort Wayne	AAS/BS in Computer Integrated Manf Tech	9/84	Approved BS 12/14/84; Approval Recommended for AAS to SBVTE 12/14/84. SBVTE approved AAS 12/18/84.
84-34	PU-SWT at IU-East	BS in Supervision	9/84	Approved 12/14/84.
84-35	PU-SWT at IU-Kokomo	BS in Electrical Engineering Technology	9/84	Approved 12/14/84.
84-36	PU-North Central	BS in Mechanical Engineering Technology	9/84	Approved 12/14/84.
84-37	PU-SWT at IU-Kokomo	AAS in Computer Integrated Manf Tech	9/84	Approval Recommended to SBVTE 11/9/84. SBVTE approved 12/18/84.
84-38	PU-SWT at Anderson	AAS in Computer Technology	9/84	Approval Recommended to SBVTE 11/9/84. SBVTE Approved 12/18/84.
84-39	PU-SWT at South Bend/ Elkhart	AAS in Computer Technology	9/84	Approval Recommended to SBVTE 12/14/84. SBVTE Approved 12/18/84.
84-40	PU-SWT at Versailles/ SE Indiana	AAS in Supervision	9/84	Approval Recommended to SBVTE 11/9/84. SBVTE Approved 12/18/84.
84-41	PU-SWT at IU-Southeast	AAS in Electrical Engineering Tech	9/84	Approval Recommended to SBVTE 11/9/84. SBVTE Approved 12/18/84.
84-42	PU-Calumet	AAS in Manufacturing Engineering Tech	9/84	Approval Recommended to SBVTE 11/9/84. SBVTE Approved 12/18/84.
84-43	PU-North Central	AAS in Computer Integrated Manf Tech	9/84	Recommended Approval to SBVTE 12/14/84. SBVTE Approved 12/18/84.
84-44	IU-Kokomo	BA in Biological and Physical Sciencs	9/84	Approved 10/12/84.
84-45	IU-Kokomo	BA in Social and Behavioral Sciences	9/84	Approved 10/12/84.
84-46	IU-Kokomo	BA in Humanities	9/84	Approved 10/12/84.
84-48	ISU-Terre Haute	MS in Electronics and Computer Technology	10/84	Action deferred at University's request.
84-49	IVTC-Kokomo at Logansport	OC/TC/AAS in Industrial Maintenance Equipment		SBVTE Approved 6/5/84.
84-50	Ball State Univ	BS/MS in Information and Communication Sci	12/84	BS Withdrawn. MS Approved 1/11/85.
84-51	ISU-Evansville	AS in Diagnostic Medical Sonography	12/84	Pending.
84-52	IU-South Bend at Elkhart Ext.	2 Year Certificate in Business	12/84	Recommended Approval to SBVTE 12/14/84.
84-53	IU-South Bend at Elkhart Ext.	AGS/BGS in General Studies	12/84	BGS Approved 12/14/84. AGS Recommended to SBVTE 12/14/84.
84-54	IU-South Bend at Elkhart Ext.	MS in Business Administration	12/84	Approved 12/14/84.
84-55	IU-South Bend	AS in Computer Science	11/84	Approval Recommended to SBVTE 1/11/85.
84-56	VU at Jasper	AAS/AS in Computer Programming Tech	8/84	SBVTE Approved 9/4/84.
84-57	IU-South Bend at Elkhart Ext.	AS in Computer Science		Pending.

2. Reviews of Existing Programs: The Commission is responsible for reviewing all existing degree programs. In 1978 the Commission requested all state institutions except Indiana Vocational Technical College (IVTC) to review all programs once every 6 years and to report to the Commission on the findings of the reviews. Vocational-technical programs offered by IVTC and other institutions are reviewed by the State Board of Vocational and Technical Education (SBVTE) every 5 years. Nearly all degree programs will have been reviewed during the first 6 year cycle as scheduled. As a result of this process many revisions have been made to the Academic Program Inventory as existing programs have been consolidated or terminated.

During 1984, the Commission began a systematic state-level review of all existing programs. A total of 307 of the 2,791 degree programs at public institutions were found to have zero enrollments in 1982-83. Staff reviewed the list with institutions as appropriate to determine the reason for zero enrollments. A variety of explanations were offered. After making allowance for differences in reporting and errors in records, institutions eliminated 19 programs from the Program Inventory and identified 7 to be reviewed for possible closure.

Overall, during 1983-84 (the academic year) a total of 119 programs were added to the Inventory (85 of which were at the technical certificate and associate degree level) and 97 degree programs were deleted (61 of which were at the technical certificate and associate degree levels) during the review of programs.

The current process of reporting campus reviews of existing programs keeps the Commission and other institutions informed of the status of available degree programs. However, the campus level reviews of existing programs do not provide for a state level perspective. With that concern in mind, staff are working with institutions in continued development of a procedure for the state-level review of existing programs. This review will identify programs for a state-level review when indicators suggest that the program is (a) not active, (b) experiencing rapid decline or growth, (c) costly, or (d) seriously underfunded in comparison to peer programs.

3. Special Study of Computer-Related Programs: Periodically, the Commission will initiate a special report of selected program fields. During 1984 such a report was prepared of computer-related programs. In the period from January, 1980, to September, 1984, 27 degree programs in computer science and related program areas were approved by the Commission and/or the State Board of Vocational Technical Education. Programs approved included 19 associate degree programs and 8 baccalaureate programs. Table 5 reports these recently approved degree programs, degree levels, and campus location. Thirteen of the 27 programs approved are at IVTC, 19 are at the associate degree level, and 8 are at the baccalaureate level. No new graduate programs were approved during this time period.

TABLE 5

RECENTLY APPROVED DEGREE PROGRAMS
IN COMPUTER SCIENCE AND RELATED AREAS, 1980-1984

Approval Date	Degree Program and Level	Campus
7/84	BS* in Data Processing & Information Systems	IU-Kokomo
6/84	AAS in Computer Technology (PU-SWT)	IUPUI-Columbus Ctr
5/84	TC,AAS in Computerized Accounting Technology	IVTC-Northeast
5/84	TC,AAS in Computerized Accounting Technology	IVTC-North Central
4/84	AAS in Computerized Accounting Technology	IVTC-Wabash Valley
4/84	TC,AAS in Computerized Accounting Technology	IVTC-South Central
5/83	AS in Digital Computer Electronics	IVTC-Central Indiana
5/83	AS in Digital Computer Electronics	IVTC-Wabash Valley
5/83	AS in Digital Computer Electronics	IVTC-South Central
5/83	AS in Digital Computer Electronics	IVTC-Southwest
5/83	AS in Digital Computer Electronics	IVTC-Northeast
5/83	AS in Digital Computer Electronics	IVTC-Kokomo
4/83	AS in Computer Integrated Mfg Tech	Ball State Univ
12/82	BS in Computer Information Systems	ISU-Evansville
12/82	AS in Robotics	Vincennes University
10/82	BS in Computer Integrated Mfg Tech	PU-West Lafayette
10/82	AAS in Computer Integrated Mfg Tech	PU-West Lafayette
6/82	BS in Computer Science	IU-South Bend
6/82	BS in Computer & Electrical Engineering	PU-West Lafayette
4/82	TC,AAS in Computer Programming Technology	IVTC-Southwest
1/82	AAS in Computer Technology (PU-SWT)	IU-Kokomo
12/81	BS in Data Processing & Information Systems	IU-Northwest
7/81	TC,AAS in Computer Programming Technology	IVTC-Lafayette
7/81	TC,AAS in Computer Programming Technology	IVTC-South Central
11/80	AS in Computer Science	IU-East
9/80	BS in Computer Science	ISU-Terre Haute
8/80	BS in Computer Technology	ISU-Terre Haute

*BS = Bachelor of Science
AAS = Associate of/in Applied Science
TC = Technical Certificate

4. Academic Program Inventory: The Academic Program Inventory is the official registry of instructional degree programs at public colleges and universities and includes a roster of degree programs offered by independent institutions and private career schools. The Inventory is updated as frequently as changes are made to it, and new institutional records are sent whenever changes are made. Once each year, a new volume is sent to each campus. In 1984 as in 1983, a version of the Inventory was prepared for distribution by TEDS (Training and Educational Data Service, Inc) to schools and other sources of educational counseling. The TEDS version is organized by broad instructional program categories and shows the institutions which offer each academic program by degree level. This directory enables institutional officers to see where else planned degree programs are available.

E. OTHER:

1. Program Start-Up Fund: The Program Start-Up Fund of $2 million created by the 1983 General Assembly provided a means by which the state could respond to the funding requirements of selected high priority programs between biennial budget sessions. An additional $2.0 million was made available by the 1984 General Assembly. These funds were distributed to a total of 27 new requests. Programs funded during the 1983-85 biennium are shown on Table 6.

TABLE 6

ALLOCATION OF STATE FUNDING OF PROGRAM START-UP FUNDS,
1983-85 BIENNIUM

INSTRUCTIONAL PROGRAMS	1983-84 Total	1984-85 Total
Indiana University		
MSN at Extended Sites	$0	$242,884
BS Nursing (Nursing-Kokomo)		33,556
BS Nursing (Nursing-East)		86,294
Purdue University		
Statewide Technology Administration	$88,500	$107,000
SWT Kokomo AAS in Computer Tech	154,175	186,550
SWT South Bend AAS in Electrical Engineering Technology	50,000	146,150
AS, BS in Computer Integrated Manufacturing	60,000	198,081
Industrial Extension	60,000	120,000
AS Mechanical Engineering Technology (Elkhart)		94,600
AS Electrial Engineering Technology (Anderson)		246,800
AS Computer Technology (Columbus)		306,200
Indiana State University		
BS Computer Information Systems		$79,600
Ball State University		
Community/Business Center	$65,000	$205,000
AS Computer Integrated Manufacturing		111,423
Vincennes University		
AS in Robotics	$20,000	$69,848
IVTC		
South Bend AAS Nursing	$0	$97,000
Lafayette AAS Nursing	0	64,025
Richmond AAS Nursing	0	40,000
Hammond AAS, TC in Electronics Technology	0	25,000
Hammond AAS, TC in Machine Tool Technology	0	25,000
Connersville AAS, TC in Electrical Technology	0	26,000
Connersville AAs, TC in Computer Programming	0	18,000
AAS Electronics Technology (Indianapolis)		156,583
AAS Electronics Technology (Kokomo)		84,678
AAS Electronics Technology (Fort Wayne)		91,808
Industrial Maintenance (Indianapolis)		101,720
AAS Electronics Technology (Northwest)		88,438
Total	$497,675	$3,052,238

2. 1984 Governor's Conference: It has become a tradition that in January of even numbered years the Governor convenes trustees and presidents from public and independent colleges, leadership of the General Assembly and members of the education and money committees, selected members of the Administration, members of the Commission for Higher Education, and a small number of invited guests to discuss timely issues concerning postsecondary education in Indiana. The 1984 conference focused on the role of higher education in defining and developing Indiana's new economy and the ways in which postsecondary institutions might participate in it. Featured speakers included Governor Robert D. Orr and Lt. Governor John Mutz; Dr. Dan Dimancescu, co-author of Global Stakes: The Future of High Technology in America; Dr. Henry Levin, a Stanford University specialist on the relationship between education and jobs and the effects of new technologies on employment; and Dr. Frank Newman, fellow of the Carnige Foundation for the Advancement of Teaching, former president of the University of Rhode Island, and new Executive Director of the Education Commission of the States.

PART III

FUTURE WORK OF THE COMMISSION

PART III. FUTURE WORK OF THE COMMISSION

Each year the Commission develops a management plan to guide the work of the Commission for a three year period. An updated management plan was approved at the January, 1985 meeting of the Commission, with the special projects to be completed summarized below.

I. To be Completed by December 1985

A. Future Funding of Postsecondary Education in Indiana

Description: This project would report on important short-term funding needs, the overall funding status of Indiana postsecondary education, funding alternatives, and a longer term investment plan.

Activity	Projected Completion
1. Report on Debt Management Practices	June, 1985
2. Potential Improvements to Equipment and Facilities Formulas	September, 1985
3. Appropriate Historical and Comparative Indicators for Assessing the Funding of Indiana Higher Education	December, 1985

B. Interim Update of Indiana's Plan for Higher Education

Description: This report would identify Indiana's goals for public investment in higher education, suggest guiding principles and broad policy issues for continued study, contribute to the development of the Commission's management plan, and result in recommendations as needed.

Activity	Projected Completion
1. Summary of guiding principles for higher education as articulated in the 1973 Indiana Plan and as expressed by the Commission in its ongoing planning efforts.	March, 1985
2. Working paper on historical and potential enrollment patterns.	June, 1985

3. Review of statewide opportunities to address higher education needs while reducing costly duplication of effort. — September, 1985

4. Adopt and issue an interim update of Indiana's Plan for Higher Education. — December, 1985

C. The Uses of Technology for Increasing Access

Description: This project would identify the forms of audio, video, and computing technologies which would contribute to increasing access to instructional programs and services and suggest alternative strategies for state investments in these technologies, programs, and services. It is currently suspended awaiting the findings of state and institutional level reviews.

II. To be Completed by December 1986

A. Research and Graduate and Professional Education

This project would assess Indiana's commitment to research and graduate and professional education in its system of postsecondary education.

B. The Relationship Between Postsecondary Education and Elementary-Secondary Education

This project, which would be undertaken in cooperation with the Department of Public Instruction, would address the key relationships between elementary-secondary education and postsecondary education.

C. The Adequacy of Student Financial Aid Programs and Policies

This project would assess the effects of student financial aid programs and policies on Indiana's goals of promoting access to higher education and choice among programs and institutions for its citizens.

III. To be Completed by December 1987

A. State Policy Toward Independent Colleges and Universities

This project, which would be undertaken in cooperation with Independent Colleges and Universities of Indiana, Inc., would assess the role of the independent sector of postsecondary education in meeting Indiana's present and future needs for postsecondary educational services.

B. Vocational-Technical Education

If requested by the Governor and the General Assembly, the Commission would work with the Department of Public Instruction and the State Board of Vocational and Technical Education to assess comprehensively how vocational education is provided in Indiana. The advantages and disadvantages of present arrangements would be explored and possible alternatives for the future developed.

Each summer the Commission revises its plan for future initiatives, thus, the plan for addressing Indiana's higher education needs is subject to continuous revision. The Commission welcomes involvement from all sectors, the executive and legislative branches of state government and citizens as its future agenda is determined.

FOOTNOTES

FOOTNOTES

1/ Comparisons of different methods of measuring rates of inflation have led the Commission to adopt the Consumer Price Index (CPI) as the best single measure of inflation. Specific support for this decision includes the following:

- o The CPI is not an extreme measure of inflation.
- o From the perspective of financing higher education institutions, the CPI is a conservative approximation of the more relevant, but less well known, Higher Education Price Index.
- o From the perspective of competing with other institutions to retain valued faculty and staff, the CPI is a reasonable approximation to the salary and wage increases which have taken place in higher education.

2/ The term funding gap is used to describe the amount of state funds per full-time equivalent student that would be necessary in order to fund higher education at 1975-76 levels under the following assumptions:

- o The state share of higher education costs would remain at 70%.
- o The marginal cost of additional students would be 50% of the cost of existing student enrollment levels.
- o The Consumer Price Index is used to measure the inflation rate.
- o The estimated inflation rate for 1984-85 is 5%.

3/ Cost of attendance is a term used by student financial aid officers and others in higher education to refer to the cost to the student of enrolling at an institution. It includes the categories of expenses show in Table 1, i.e., tuition and fees, books and supplies, room and board, personal expenses, and transportation. The total cost of education is the cost of attendance plus state, institutional, and other subsidies.

4/ For purposes of the estimates in Table 1, two examples of students are considered: one is enrolled full-time, representing 43.1% of all Indiana students in 1983-84, and resides on campus at a public or independent college. The other attends college on a part-time basis. The part-time student is assumed to be enrolled on a one-third time basis and is intended to be representative of part-time students, since their average credit hour load is approximately 5 hours or one-third of a full-time equivalent undergraduate course load. Further assumptions are that the full-time student does not live at home, while the part-time student lives at home and commutes to college nearby. Both are assumed to be dependent students.